

ORIGINAL



0000141453

BEFORE THE ARIZONA CORPORATION C

COMMISSIONERS

RECEIVED

BOB STUMP, Chairman

2013 JAN 16 P 1:26

GARY PIERCE

AZ CORP COMMISSION  
DOCKET CONTROL

BRENDA BURNS

SUSAN BITTER SMITH

BOB BURNS

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY, AN  
ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND PROPERTY  
AND FOR INCREASES IN ITS RATES AND  
CHARGES BASED THEREON FOR UTILITY  
SERVICE BY ITS ANTHEM WATER DISTRICT  
AND ITS SUN CITY WATER DISTRICT, AND  
POSSIBLE RATE CONSOLIDATION FOR ALL OF  
ARIZONA-AMERICAN WATER WOMpany's  
DISTRICTS.

DOCKET NO. W-01303A-09-0343

DECISION NO. 72047

NOTICE OF COMPLIANCE  
FILING

IN THE MATTER OF THE APPLICATION OF  
ARIZONA-AMERICAN WATER COMPANY, AN  
ARIZONA CORPORATION, FOR A  
DETERMINATION OF THE CURRENT FAIR  
VALUE OF ITS UTILITY PLANT AND PROPERTY  
AND FOR INCREASES IN ITS RATES AND  
CHARGES BASED THEREON FOR UTILITY  
SERVICE BY ITS ANTHEM/AGUA FRIA  
WASTEWATER DISTRICT, ITS SUN CITY  
WASTEWATER DITRICT, AND ITS SUN CITY  
WEST WASTEWATER DISTRICT, AND POSSIBLE  
RATE CONSOLIDATION FOR ALL OF ARIZONA-  
AMERICAN WATER COMPANY'S DISTRICTS.

DOCKET NO. SW-01303A-09-0343

Arizona Corporation Commission

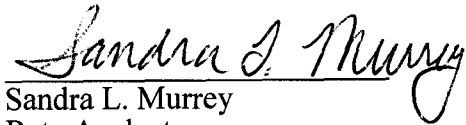
DOCKETED

JAN 16 2013

DOCKETED BY

In compliance with Decision No. 72047, EPCOR Water Arizona, Inc. hereby files the attached Water Loss compliance report for the Sun City Water District. The decision orders the Company to reduce water loss in the Sun City Water district's PWS No. 07-099 to below 10 percent before it files its next rate case, CC&N, or financing application for the Sun City Water district and shall continue to track the water loss for three years and submit the data collected every six months. Please note the Company interprets the 10 percent water loss requirement in the standard manner of a 12 months rolling calculation. Therefore, the attached report is as of twelve months ended December 2012.

1 RESPECTFULLY SUBMITTED on January 16, 2013.  
2  
3  
4

5   
6

7 Sandra L. Murrey  
8 Rate Analyst  
9 EPCOR Water Arizona, Inc.  
10 2355 W. Pinnacle Peak Road, Suite 300  
11 Phoenix, AZ 85027  
12  
13  
14

15 Original and 13 copies **filed**  
16 on January 16, 2013, with:  
17

18 Docket Control  
19 Arizona Corporation Commission  
20 1200 West Washington  
21 Phoenix, Arizona 85007  
22

23 Copies of the foregoing **emailed**  
24 on January 16, 2013, to:  
25

26 Brian K. Bozzo  
27 Compliance and Enforcement Manager  
28 Utilities Division  
29 1200 West Washington Street  
30 Phoenix, AZ 85007  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42  
43  
44  
45  
46  
47  
48  
49  
50  
51  
52

EPCOR Water  
Central Division - Sun City Water District  
Unaccounted For Water - Rolling 12-Months Summary

Description	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
<b>A Gallons Pumped</b>													
Water Treatment	0	0	0	0	0	0	0	0	0	0	0	0	0
Wells	4,202,433	4,219,759	4,235,221	4,255,230	4,274,528	4,307,559	3,840,107	4,257,169	4,223,691	4,245,247	4,247,132	4,285,786	4,285,786
<b>B Gallons Purchased</b>	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Production</b>	<b>4,202,433</b>	<b>4,219,759</b>	<b>4,235,221</b>	<b>4,255,230</b>	<b>4,274,528</b>	<b>4,307,559</b>	<b>3,840,107</b>	<b>4,257,169</b>	<b>4,223,691</b>	<b>4,245,247</b>	<b>4,247,132</b>	<b>4,285,786</b>	<b>4,285,786</b>
<b>C Authorized Unbilled/Consumption</b>													
In-Plant Usage	39,585	37,887	37,017	36,347	35,203	27,237	23,927	23,321	13,306	12,821	12,761	2,747	2,747
Mixing Chemicals - Field	0	0	0	0	0	0	0	0	0	0	0	0	0
Well Pumped Waste	1,415	1,499	1,119	1,300	1,592	1,931	1,858	2,380	2,443	2,620	2,387	3,834	3,834
Flushing Mains	322	243	186	181	206	204	204	236	235	293	291	293	293
Identified Fire Usage	0	0	0	0	0	0	0	80	80	80	80	40	40
Vandalism	0	0	0	0	0	0	0	0	0	0	0	0	0
Street Cleaning	2	2	2	2	4	4	4	4	12	12	12	33	33
Draining Storage Tanks	0	0	0	0	0	0	0	0	0	1,000	1,000	1,000	1,000
Online Analyzers & Chlorinators	5,076	5,076	5,076	5,076	5,076	5,076	4,653	5,076	5,076	5,076	5,076	5,076	5,076
Field Meter Testing	0	0	0	0	0	0	0	0	0	0	0	0	0
Fire Hydrant Maintenance	11	11	9	13	15	18	15	67	72	106	103	200	200
Flushing Sewer Mains	20	20	20	20	0	0	0	0	0	0	0	0	0
<b>Total Authorized Unbilled/Consumption</b>	<b>46,431</b>	<b>44,738</b>	<b>43,429</b>	<b>42,939</b>	<b>42,096</b>	<b>34,470</b>	<b>30,661</b>	<b>31,164</b>	<b>21,224</b>	<b>22,008</b>	<b>21,710</b>	<b>13,223</b>	<b>13,223</b>
<b>D Gallons Delivered</b>	<b>4,156,002</b>	<b>4,175,021</b>	<b>4,191,792</b>	<b>4,212,291</b>	<b>4,232,432</b>	<b>4,273,089</b>	<b>3,809,446</b>	<b>4,226,005</b>	<b>4,202,467</b>	<b>4,223,239</b>	<b>4,225,422</b>	<b>4,272,563</b>	<b>4,272,563</b>
<b>E Gallons Sold</b>													
Residential	3,041,544	3,048,354	3,071,516	3,067,547	3,070,867	3,103,641	2,765,631	3,099,628	3,096,991	3,049,685	3,089,111	3,125,543	3,125,543
Commercial	893,587	892,409	889,330	888,060	887,877	897,200	795,097	877,393	865,581	854,319	866,806	876,689	876,689
Industrial	0	0	0	0	0	0	0	0	0	0	0	0	0
Fire Service	0	0	0	0	0	0	0	0	0	0	0	0	0
OPA	0	0	0	0	0	0	0	0	0	0	0	0	0
Resale	0	0	0	0	0	0	0	0	0	0	0	0	0
Miscellaneous	561	1,102	1,407	1,901	2,580	3,303	3,303	4,033	4,473	4,846	5,564	6,686	6,686
<b>Total Sales</b>	<b>3,935,692</b>	<b>3,941,865</b>	<b>3,962,253</b>	<b>3,957,508</b>	<b>3,961,324</b>	<b>4,004,144</b>	<b>3,564,031</b>	<b>3,981,054</b>	<b>3,967,045</b>	<b>3,908,850</b>	<b>3,961,481</b>	<b>4,008,918</b>	<b>4,008,918</b>
<b>F Non-account Water</b>													
Gallons	230,749	240,680	232,617	253,767	262,984	257,059	233,529	193,389	268,659	229,848	253,538	263,645	263,645
Percentage	5.30%	5.58%	5.48%	6.05%	6.41%	6.29%	6.44%	5.80%	5.60%	7.44%	6.25%	6.17%	6.17%

Negative numbers indicate quantity or percentage above production or 100%

Note: The methodology to calculate production numbers has changed. We are now using the methodology of Day 1 to Day 31 production. Previously we used a day adjustment based on how many days were reported in the previous week that included days from a different month. January through June 2012 production amounts have been restated from the previous report.

1 Wastewater district that conform with those appearing in Hearing Exhibit S-7 at DMH-3, Figure 6  
2 and DMH-4, Figure 7.

3 IT IS FURTHER ORDERED that Arizona-American Water Company shall file, within 60  
4 days, or sooner if possible, for review by Staff, an application for approval of changes that generally  
5 incorporate the program outlined in Exhibit B, to the Sun City Low Income Program in order to  
6 extend the benefit of the Sun City Low Income Program to condominium and other multi-housing  
7 dwellers.

8 IT IS FURTHER ORDERED that Staff shall review the Company's Sun City Low Income  
9 Program filing and shall prepare and docket, within 60 days of the Company's filing, a  
10 Recommended Order regarding the Company's proposed changes to the Sun City Low Income  
11 Program.

12 IT IS FURTHER ORDERED that Arizona-American Water Company is hereby authorized to  
13 continue the current high block funding mechanism for the Sun City Low Income Program.

14 IT IS FURTHER ORDERED that Arizona-American Water Company is hereby authorized to  
15 establish a deferral account to allow it to defer tank maintenance expenses for the Anthem Water  
16 district until the next rate case for the Anthem Water district, at which time Arizona-American Water  
17 Company may present evidence in support of recovery of the deferred expense amounts for  
18 consideration.

19 IT IS FURTHER ORDERED that Arizona-American Water Company shall reduce water loss  
20 in the Sun City Water district's PWS No. 07-099 to below 10 percent before it files its next rate case,  
21 CC&N, or financing application for the Sun City Water district, not including currently pending  
22 cases, whichever comes first; and shall continue tracking the water loss for PWS No. 07-099 for three  
23 years and submit the data collected every six months; and shall file within 180 days, with the  
24 Commission's Docket Control, as a compliance item in this docket, the first water loss tracking  
25 report for PWS No. 07-099.

26 IT IS FURTHER ORDERED that the 2007 and 2008 Pulte refund payments are included in  
27 rate base.  
28